United Nations ECE/TRADE/C/CEFACT/2018/24

Economic and Social Council

Distr.: General
20 April 2018

English only

Economic Commission for Europe

UNECE Executive Committee

Centre for Trade Facilitation and Electronic Business
Twenty-fourth session
Geneva, 30 April and 1 May 2018
Item 11 of the provisional agenda
Future challenges in trade facilitation and electronic business

Briefing note on United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) Contributions to United Nations Sustainable Development Goal 12 – Responsible production and consumption

Note by the secretariat

Summary

The 2030 Agenda for Sustainable Development with its seventeen Sustainable Development Goals (SDGs), adopted by the United Nations General Assembly in 2015, will guide the work of the United Nations and its Member States over the coming years. This briefing note discusses why decoupling economic development from environmental degradation and ensuring fair progress through more responsible production patterns and consumption practices, is essential for green and inclusive economic development. It provides an insight into how the work of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT), with its policy recommendations, standards and tools, can help attain Sustainable Development Goal (SDG) 12 "Ensure sustainable consumption and production patterns".

Document ECE/TRADE/C/CEFACT/2018/24 is submitted by the secretariat to the twenty-fourth UN/CEFACT Plenary for noting.

GE.18-06111(E)
1806111

Please recycle

1. Decoupling economic growth from natural resource use, while ensuring inclusive progress, is fundamental to sustainable development, and the shift to more responsible consumption and production patterns is considered to be a key driver. As part of the United Nations Agenda 2030 for Sustainable Development, Sustainable Development Goal (SDG) 12 "Ensure sustainable consumption and production patterns" is about promoting resource and energy efficiency, sustainable infrastructure, and providing access to basic services, green and decent jobs and a better quality of life for all. It aims at "doing more and better with less", helping achieve overall development plans, reduce future economic, environmental and social costs, and strengthen economic competitiveness to reduce poverty[1].

2. This requires multi-stakeholder cooperation and a systemic approach towards activities, processes and actors in supply chains, from producer to final consumer. Finding new solutions involves setting up strong national frameworks, adherence to international norms, sustainable business practices and responsible consumer behaviour[2]. Possible approaches may include reducing resource use and pollution along a product's lifecycle or raising consumer awareness through educative and informative initiatives such as standards and labelling and sustainable public procurement. In order to accomplish this and contribute to the achievement of SDG 12, there is a need for a better understanding of the environmental, social and health risks and impacts of products and services, and their use by consumers.

3. Therefore, and particularly in relation to targets 12.6, which aims at encouraging companies, especially large and transnational ones, to adopt sustainable practices and to integrate sustainability information into their reporting cycle in trade-related activities, there is an increased understanding of the importance of developing traceability systems, which ensure that production, transport and distribution of goods and services comply with values and goals of high-level policy and civil society. At the same time, enhanced transparency and traceability of value chains, can help make sure that people everywhere have the relevant information and awareness for sustainable development and lifestyles, in line with target 12.8.

4. The United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) is committed to contributing to the achievement of the SDG 12. The work of UN/CEFACT focuses on simplifying and harmonizing international trade procedures and electronic business processes for the benefit of all (ECE/INF/2015/17)[3].

5. The implementation of its policy recommendations, standards and tools help countries to engage in and benefit from global, efficient and cost-effective trade, which sets the conditions for creating sustainable and inclusive economic growth. Such tools include approaches for enhancing transparency and traceability of value chains, and facilitating the information exchange among actors along the chain, particularly in sectors like agri-food, fishery, and textile and leather, and including environmental, social and health impacts. This contributes to speed up trade transactions and risk management, thus increasing efficiency, cost saving and sustainability.

6. Examples include the United Nations Economic Commission for Europe (ECE) Recommendation No.1: Layout Key for Trade Documents; UNECE Recommendations No.33, No.34 and No.35 on Single Window; Business Process Analysis (BPA) guidelines; Standards, models and data formats for Electronic Data Interchange for Administration,

1 https://www.un.org/sustainabledevelopment/sustainable-consumption-production/

2 https://sustainabledevelopment.un.org/sdg12

3 https://www.unece.org/fileadmin/DAM/trade/Publications/ECE-INF-2015_17_SDGs.pdf

Commerce and Transport (UN/EDIFACT). In addition to these, targeted deliverables for SDG 12 include:

- The UN/CEFACT agriculture expert group developed an international technical standard to trace important business processes in the animal and fish supply chain. The Handbook for implementing UN/CEFACT e-Business standards in Agricultural Trade (ECE/TRADE/428)[4] published in April 2016 is now being used by policy makers and project managers around the world. In this connection, the framework published in September 2016 for the design of Traceability Systems for Sustainable Trade (ECE/TRADE/429)[5] is of utmost relevance to sustainable consumption and production practices.
- Furthermore, the UN/CEFACT has developed the Fisheries Language for Universal Exchange (UN/FLUX)[6], with support of the European Commission's Directorate-General for Maritime Affairs and Fisheries (DG MARE). This standard is crucial to ensure an effective management of fish resources, as it allows to record and share reliable information on vessels, stocks and catches between stakeholders, contributing to prevent illegal, unreported and unregulated fishing activities.
- UN/CEFACT, together with the International Trade Centre (ITC) and the European Commission's Directorate-General for International Cooperation and Development, is currently working on a traceability framework to provide a structured approach for tracking and tracing sustainable textile and leather value chains. The study "Transparency in textile value chains in relation to the environmental, social and human health impacts of parts, components and production processes" (ECE/TRADE/439)[7] published by the secretariat in December 2017, lays down the foundation of this framework initiative, through a series of recommendations provided by a multi-stakeholders working group that has contributed to the preparation of the study. The ongoing project includes the development of a policy recommendation and standards and implementation guidelines for the textile and leather sector, as well as the piloting of the framework with key countries, private sector associations and brands.
- To foster the dissemination of good practices and support peer learning, the UN/CEFACT has been leading the organization of conferences and workshops on the theme of trade facilitation for sustainable production and consumption. For example, during the 2018 Forum on Sustainable Development for the ECE region, held last March in Geneva, the Secretariat coordinated one of the round tables focusing on SDG12, and particularly on circular economy approaches[8]. The conclusions, included in a Chair Report to the United Nations High Level Political Forum to be held in New York in July 2018, highlighted the importance of enhancing the transparency of global value chains, including for environmental, social and health risks. In such connection, over the last year, the Secretariat organised several conferences, including at the 2017 and 2018 EU Development Days in Brussels, and at the 30th and 31st UN/CEFACT Forums, in October 2017 and April 2018 respectively.
- SDG target 12.4 encourages the promotion of public procurement practices that are sustainable, in accordance with national policies and priorities. To help achieve this

4 http://www.unece.org/fileadmin/DAM/trade/Publications/ECE-TRADE-428_UNNExT_e-BusinessStandardsHandbook.pdf

5 http://www.unece.org/fileadmin/DAM/trade/Publications/ECE_TRADE_429E_TraceabilityForSustainableTrade.pdf

6 https://www.unece.org/tradewelcome/un-centre-for-trade-facilitation-and-e-business-uncefact/about-us/team-of-specialists-on-sustainable-fisheries.html

7 https://www.unece.org/fileadmin/DAM/trade/Publications/ECE-TRADE-439E-TEXTILE4SDG12.pdf

8 https://www.unece.org/fileadmin/DAM/RCM_Website/Concept_note_SDG12_2.pdf

target, UN/CEFACT is working on a project to explore approaches that, while ensuring procurement practices contribute to environmental and social objectives, also guarantee that businesses, especially from developing and transition economies, do not face further obstacles in accessing regional and global markets. The project should lead to the development of a policy recommendation on sustainable procurement and trade facilitation.

- The UN/CEFACT white papers and briefing note on Blockchain submitted to the 24th UN/CEFACT Plenary, discuss how this rapidly evolving area of information technology has the potential for creating huge benefits in terms of security, reliability and cost efficiency in the exchange of information, and discusses pilots conducted in the agri-food and textile sectors.

7. For future developments, UN/CEFACT identifies and recommends the following actions in the scope of its activities as a possible way of contributing to SDG 12 on responsible consumption and production:

- Increasing overall transparency of trade rules and procedures, including on sustainability requirements, which will help to overcome procedural obstacles to trade by facilitating the development and implementation of traceability systems across governments and industries.
- In line with target 12.A, supporting developing countries to strengthen their knowledge and technological capacity to move towards more sustainable patterns of consumption and production, together with other disadvantaged groups such as women and SMEs, regarding their role and resource-base in global value chains.
- Improving cooperation between all stakeholders involved in production and consumption practices, fostering a better understanding about rules and processes applied in international trade to specific products, facilitating the access to reliable information by all actors involved.
- Supporting industry-wide standards setting and contributing to policy and decision-making for sustainable trade facilitation and enhanced transparency of value chains.
- Disseminating knowledge and tools available to ensure responsible consumption and production through all available communication channels to the Secretariat.

8. Close cooperation with other United Nations organizations (e.g. International Trade Centre, United Nations Conference on Trade and Development, United Nations Regional Commissions, International Labour Organization, United Nations Global Compact, United Nations Environment Programme, etc.), other international organizations (e.g. European Commission, Organisation for Economic Cooperation and Development), governments, businesses and non-governmental organizations is key element of this work - along with adequate financial support in order to ensure implementation of relevant activities and their effective impact.